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RIGHT OF PALESTINIANS TO SELF-RULE AFFIRMED

Cairo AL-MUSAWWAR in Arabic 20 Jul 79 p 6

[Editorial in the column "AL-MUSAWWAR's Comment": "Self-Rule: Not a Privilege From Israel but an Established Right of the Palestinian People"]

[Text] At a time when Egypt is enduring what no other people have endured in order to achieve peace; at a time when Egypt is being subjected to a boycott by many Arab governments as well as their hostility, a situation which has affected the economies of those governments considerably; at a time when Egypt is facing the harshest information campaigns and other attacks against it in modern history; at a time when numerous crimes against Egypt and Egyptians have been committed continuously domestically and abroad because of Egypt's signing of the peace accords; at this very time when Egypt has confirmed, through every indication, its good intentions and sincere desire to establish peace in Arab lands, Israeli leaders have insisted on participating directly and indirectly in those campaigns, plots and boycotts. They are taking spasmodic and rigid positions on a number of Arab issues, especially the issue of withdrawal from Arab lands occupied prior to the war of June 1967, and the issue of affirming the legitimate rights of the Palestinian people, including their right to establish their own independent and free state on their land.

The Israeli leaders are dealing with the issues of withdrawal and affirmation of the legitimate rights of the Palestinian people with an ancient--indeed, rotten--colonialist and imperialist mentality and in a way that will never succeed in expressing their fervent, or not so fervent, desire to achieve peace. It is as if these leaders insist on proving to the entire world that they do not want to achieve peace at all. Indeed, they are proving through their behaviour--this strange course of action--that when they undertook what they did in signing the two Camp David agreements and the peace accords, they were forced into doing this, or else they wanted to accomplish the opposite of what they pledged to do in the agreements and the peace accords.

Israeli leaders continue to deal with the issue of the Arab-Israeli conflict in a way which no one approves, not even their radical friends and supporters in the United States of America. The Israeli leadership does not want to

acknowledge the accomplished fact which resulted from their bitter and shocking defeat in the 6 October War, the war of glorious Ramadan. As appears clear and obvious, the Israeli leadership does not want to apply the decisions of such international organizations as the Security Council and the General Assembly of the United Nations, nor all the international laws and pacts which prohibit confiscation of the lands of others by force.

For example, the Israeli leadership, influenced by its colonialist mentality, imagines that when it withdraws from a piece of Arab land which it occupied after the aggression of 1967, it surrenders to the Arabs some of the rights which it had won, or gives the Arabs certain prerogatives for which the Arabs must thank them and at the same time give them certain concessions in return. However, the actual facts, the international precedents and the laws and pacts recognized in all parts of the world by both civilized and uncivilized states alike affirm exactly the opposite. For whenever one country returns another country's lands which it had seized by force, this is never considered a concession, no matter what the circumstances surrounding the return of the usurped rights to the rightful possessors.

In all the world and local wars, if the warring states want to achieve peace and conclude a settlement then things must be restored to the natural conditions which existed prior to the outbreak of war. In our case, the situation must be restored to the natural conditions which existed prior to 5 June 1967. More precisely, if the Israeli leaders truly want to achieve a just and comprehensive peace, then they must inevitably acknowledge this historical truth according to which Israeli forces must evacuate the occupied Arab lands, namely the Golan Heights, Sinai, Gaza, the West Bank and most of all Arab Jerusalem.

The Israeli leaders must abide by the same lines which existed on 4 June 1967, and they must return to these lines exactly without deducting one inch from the Arab land which was in the possession of Arabs on 4 June 1967.

As for self-rule for the Palestinian people, this is not a privilege given by Israel to the people of Palestine, but an established right of the Palestinian people. No state--indeed no force in existence--can stand in the way of the Palestinian people's right to self-rule. Both after World War I and after World War II, there was never any doubt or argument concerning the necessity of giving all peoples their right to self-rule.

The Palestinian people are one of these peoples who possess the right to self-rule. No matter what arduous and enervated efforts Israel makes, and no matter how much it employs the methods of shady dealing and haggling in order to avoid acknowledging the right of the Palestinian people to self-rule, it is inevitable that sooner or later, willingly or unwillingly, Israel will acknowledge the right to possess self-rule as do other peoples in the world who have attained this right, including peoples who up until a few years ago were living in the darkness of the Middle Ages and have scarcely risen intellectually above the level of the fields and jungles.

The entire international community with the exception of Israel has acknowledged the right of the Palestinian people to self-rule. Even the United States, Israel's natural ally and firm source of support, has in turn acknowledged this right in more than one international document. The American President Carter has made numerous statements, delivered in Aswan, Cairo, the United States and many European and African countries, confirming the necessity of giving the Palestinian people its right to self-rule.

If we warn the Israeli leaders, based on our belief in the need to achieve peace on just bases, about the consequences of their lack of acknowledgement of the Palestinian people's right to self-rule, asserting that the effects of such a refusal would most certainly entail disaster for the Israeli people themselves, we also ask the United States, out of our concern for our friendly relations as Arabs with this country and our desire to end the deadlock that exists today between the Arab people as a whole and the United States, to pressure Israel to change its policy on the right of the Palestinian people to self-rule. We also implore the United States to undertake an earnest and constructive dialogue with representatives of the Palestinian people, overcoming all the diplomatic and other obstacles in the way of such a dialogue. In taking such a step, the United States will be playing a major part in accelerating the achievement of peace.

The United States will see that when it dares to take this step, namely a constructive dialogue with the representatives of the Palestinian people, then it will have achieved, first, its own good, second, the good of the peoples of the Middle East and above all world peace.

8591
CSO: 4802

INTER-ARAB AFFAIRS

BRIEFS

IRAQ-KUWAIT WATER AGREEMENT--Kuwait, 12 Sep--The minutes of the third session of the Iraqi-Kuwaiti subcommittee for water and electricity set up by the Joint Committee for Economic and Technical Cooperation, which was formed in 1977, were signed today. The subcommittee agreed during its 3-day meetings here that Iraq will supply Kuwait with drinking water in stages, beginning with 200 million gallons daily. This amount will be increased in the future on the basis of studies to be carried out by both sides during 1985-1990. Iraq has also agreed to supply Kuwait with water for agriculture, beginning with 1 million gallons daily. This amount will be increased in the future through agreement between both sides. Subhi Yasin, undersecretary of the Industry Ministry and head of the Iraqi side, has declared that the subcommittee meetings were marked by a spirit of cooperation to achieve the common objectives. He added: We will earnestly try in the next phase to implement the agreement so the Arab citizen will see the results of our efforts. Yasin explained that the main purpose of the electricity link between the two countries is to achieve flexibility in operating the two grids, to exchange electric power and to organize the work of the powerplants so as to meet the needs and requirements of both countries. He pointed out that this project is part of an integral plan to link all the Arab countries in one unified grid. [Text] [Baghdad INA 1a Arabic 1130 GMT 12 Sep 79 JN]

CSO: 4802

ALGERIA

BRIEFS

DIPLOMATIC CHANGES EXPLAINED--According to French experts, the recent Algerian diplomatic changes made by President Bendjedid were aimed at breaking up the network of friends put in place by Boumediene's foreign affairs minister, Abdelaziz Bouteflika, now in disgrace. [Text] [Paris LE POINT in French 10 Sep 79 p 31]

CSO: 4400

BAHRAIN

'AKHBAR AL-KHALIJ' VIEWS CARTER'S REMARK ON PALESTINIAN STATE

Manama Gulf News Agency in Arabic 0635 GMT 4 Sep 79 JN

[Text] Manama, 4 Sep--A Bahraini paper today criticizes President Carter's recent remarks on the establishment of a Palestinian state in which he repeated his claim that no Arab leader he has met with had called for the establishment of such a state.

The newspaper AKHBAR AL-KHALIJ describes these remarks as silly and expresses surprise that Carter should make the question of a Palestinian state dependent on what an Arab leader or several Arab leaders say. The paper says: If Carter would glance at the map of political action since 1947 he would find a thousand replies to what he said.

AKHBAR AL-KHALIJ adds: Why then all these wars in the Arab area for the past 30 years? Why the thousands of victims? Why the Arab conferences throughout that period, and why the hundreds of resolutions adopted by these conferences? Why the negotiations with the champions of justice everywhere, and why the allocation of billions of dollars for arms? Why do the Arab states support the PLO and supply it with arms and funds?

The paper continues: Has all this not convinced the U.S. President that the Arabs' great desire is the establishment of a Palestinian state, a state founded on justice, a state with its own entity, people and principles, a state that will be the last refuge for this people who were dispersed as a result of international conspiracies more than 30 years ago. Is this not too enormous to be said in a statement or during a meeting with Carter?

CSO: 4802

COTTON REVENUES, COTTON COMPANIES ACCOUNTS DETAILED

Cairo AL-MUSAWWAR in Arabic 20 Jul 79 p 73

[Article: "Sum of 125 Million Pounds in Hard Currencies Enters State's Coffers"]

[Text] During 1978, companies in the cotton sector realized an income of 125 million pounds in foreign currencies for the state. They also achieved a current operations surplus of 20.7 million pounds and a distributable surplus of 9 million pounds.

Dr Hamid al-Sayih, minister of economy, foreign trade and economic cooperation, approved the budgets and profits of the cotton sector companies in a major meeting attended by Dr Salih Ibrahim Tulan, first undersecretary of the Ministry of Economy, Foreign Trade and Economic Cooperation; Ahmad Yusuf, chief of the Technical Department of the cotton sector; Husayn Ahmad Husayn, undersecretary for foreign trade affairs; and Ahmad 'Abd-al-'Aziz, undersecretary for ministerial office affairs.

Also attending the meeting were the chairmen of the boards of the companies in their capacities as members of the upper board of the cotton sector. Their names and companies are as follows: Muhammad Sa'id Dhu al-Faqar, head of the Egypt Cotton Export Company; Mustafa Kamil Murad, head of the Eastern Cotton Export Company; Mustafa Kamil Murad, head of the Eastern Cotton Export Company; Ahmad 'Abd-al-Latif Basharah, head of the Port Said Cotton Export Company; 'Abd-al-Fatah Hasan Zaki, head of the Alexandria Trade Company; Izz-al-Din Mukhtar Hijazi, head of the Cairo Cotton Company; 'Uthman Hilmii Ibrahim, head of the Cotton Trade and Export Corporation; Husayn Hamid 'Atiyah, head of the Egypt Cotton Ginning Company; Jalal Muhammad al-Bar'i, head of the Arab Cotton Ginning Company; Mahmud Tal'at 'Abd-al-Latif, head of the Delta Cotton Ginning Company; 'Abd-al-'Aziz Imam al-Talbah, head of the al-Wadi Cotton Ginning Company; Muhammad Kashif Ahmad, head of the Nile Cotton Ginning Company; and Ahmad 'Abd-al-Ghani Shuman, head of the Egyptian Cotton Pressing Company.

It is worth noting that the budgets and final accounts of the cotton companies for 1978 were as follows:

First: The cotton companies handled a yield of 8.8 million qantars, which was 763,000 qantars over the previous year's yield.

Second: The cotton sector with all its commitments by the domestic spinning mills: the mills received 5.5 million qantars of cotton worth 177 million pounds of which 5.3 million qantars was from local regions and 269,000 qantars were imported short-staple cotton for the production of heavy textiles and popular fabrics. In regard to operations in export, bailing and ginning, the budgets have shown the following:

(1) The export companies, of which there are six, exported 412,231 bales valued at 125 million pounds to all markets. This represents an increase of 40.7 million pounds over the projected plan, consisting of 31.2 million pounds from states with free currencies, 5.1 million pounds from states with accounting currencies and 4.4 million pounds from states with agreements.

The distributable surplus was 6.8 million pounds and the workers' share of the profits was 668,000 pounds for all workers, which consisted of 6,637 permanent workers and 5,960 seasonal workers as opposed to 6,252 permanent workers and 5,691 seasonal workers in 1977.

(2) The five ginning companies ginned 8.3 million qantars during 1978, thus exceeding the projected plan by 5.7 percent.

The distributable surplus was 1.7 million pounds, and the workers' share of the profits was 111,790 pounds for all workers, which included 7,056 permanent workers and 4,497 seasonal workers as opposed to 5,726 permanent workers and 3,841 seasonal workers in 1977.

(3) The Egyptian Cotton Pressing Company pressed 469,796 bales, which was 166,796 bales above the amount projected in the plan. The distributable surplus was 529,000 pounds and the workers' share of the profits was 42,000 pounds for all 2,068 permanent workers.

By this means the cotton sector companies realized a foreign currency income for the state of 125 million pounds and a current operations surplus of 20.7 million pounds, as well as a distributable surplus of 9 million pounds.

In view of these results, the profits to which the workers are entitled were authorized and it was decided to pay incentive awards for the efforts which the cotton sector workers made to achieve these results.

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CSO: 4802

IRAN

U. S. CHARGE D'AFFAIRES IN TEHRAN DISCUSSES IRAN-U. S. RELATIONS

Tehran ETTELA'AT in Persian 21 Aug 79 p 12

Text The Charge d'Affaires of the American Embassy in Tehran stressed in an interview with the PARS NEWS AGENCY that America, perceiving the changes arising from the Iran's Islamic Revolution, is trying to establish new relations between the two countries. The Charge d'Affaires of the American Embassy explained, "Establishing new relations with the Islamic Republic of Iran is a goal which both the American Government and the American Congress have in mind and are trying to achieve." At the same time, he said, "The government still has not made a decision with regard to appointing its new ambassador in Tehran." (It must be pointed out that, after Iran's Islamic revolution and the return of Sullivan to America, the American Government chose Walter Cutler as the new ambassador in Iran; but, the Government of the Islamic Republic of Iran, exercising its natural right, refused to grant agreement for Cutler in view of his record in Zaire.)

The Charge d'Affaires of the American Embassy said that, although his government will adopt a decision in due time regarding this, right now, good and friendly relations exist between the two countries on the Charge d'Affaires level, and that it is thought that the Iranian Embassy in Washington holds this same view. The Charge d'Affaires of the American Embassy said regarding the matter of the delivery of spare parts for military weapons, "Since Iran's Armed Forces, to a great extent, make use American-made military equipment, providing spare parts for such equipment, as the Iranian authorities have mentioned on numerous occasions, is an urgent matter and, therefore, discussions have begun between both parties toward this end." In mentioning the various difficulties which exist regarding this problem, he said, "At this time, the talks are proceeding well, and the objective is to make some arrangement whereby the spare parts and other necessary services may be provided, consonant with the needs of Iran, more easily and also to establish sound relations for the purpose of providing for these needs in the future, whenever the Iranian Government so desires."

In the Persian Gulf

In response to a question about the details of America's strategy in the Persian Gulf, the American diplomat said, "Considering America's national interests, this country's strategy in the Persian Gulf is based on guaranteeing the flow of oil and preserving the stability, independence, and territorial integrity of the countries of the area, among them, Iran, and in general, America supports the existence of a peaceful atmosphere in the area. Meanwhile, it believes there are still problems that jeopardize the prospects for peace in the area, and the government and people of America will spare no effort in trying to resolve these problems." The Charge d'Affaires of the American Embassy added, "We are interested in having the countries of this area preserve their own independence and territorial integrity, and, especially as regards the country of Iran, we must state that the changes that have occurred in this country during the past year have in no way diminished our basic interest, i.e., we were interested in Iran's independence and territorial integrity in the past, and we still are."

Relations Between the Two Countries

In response to the question about the relations between Iran and the United States, the American Charge d'Affaires said, "There is no doubt that recently we have experienced problems in our relations, and, for our part, we desire the closest relations between the two countries. We believe that this is a two-way street, and that there is hope that, as a result of the patience and desire of both parties, relations will become smooth." He said, "We are aware of Iran's important role from the standpoint of establishing peace and stability in the area, and we also know that this role will continue in the future. Your approach to government and, in general, to the economy and politics, which is based on the spiritual power of Islam, will make an enormous impression on the people of this area. Therefore, the quality of our relations with you is extremely important, and we are optimistic about the future of the relations between the two countries, not only because of Iran's strategic importance, but because of the humane elements that exist in our relations. For many years, America has had cultural, health, and commercial ties with Iran, as well as military ties."

Iranian Living in America

The American diplomat likewise said, "The number of Iranians living in America today amounts to hundreds of thousands of people, and, very likely, there is not a university in America that does not have an Iranian student. The American Embassy now has expanded its operations and is making the utmost effort so that qualified students may succeed in getting visas and begin their studies in American universities on time.

"We are hopeful that new facilities, considered the broadest facilities of this type, will be established at the end of this month (August) for issuing visas."

Strike Force

Regarding the subject of America's decision to create a "strike force," the Charge d'Affaires of the American Embassy said, " Many rumors have been spread regarding this. From the standpoint of world interests, America needs to make emergency plans, and this is nothing new; but, my government has stressed on numerous occasions that it has not adopted any decision with regard to establishing a so-called 'strike force.' It is true that America has vital interests in this area; but, continued support of the right of national sovereignty, independence of the countries of the area, and expansion of friendly relations and cooperation among them can be a better guarantee of these interests. Therefore, the emphasis is on diplomacy, not on resort to force."

He added, "We have learned that military might alone cannot guarantee the interests of any countries, among them, America. Even the use of military power requires good relations, and this point has been stated numerous times by America's leaders."

8514
CSO: 4906

STATEMENTS MADE BY PROSECUTOR OF TEHRAN ISLAMIC COURT

Tehran ETTELA'AT in Persian 22 Aug 79 p 2

Text Yesterday morning, Ayatollah Ahmad Azari Qomi, Public Prosecutor of the Tehran Islamic Revolution Public Prosecutor's Office, participated in a press conference, and he responded to questions of Combined Despatches' reporters regarding the recent events and the closing of some of the newspapers and magazines.

Ayatollah Azeri said, "Just as the Imam had promised in Paris and Iraq, you saw that total freedom was given to all groups and factions after the victory of the revolution, and they still criticized the government and the leadership. Unfortunately, during this six-month period, we have seen how this total freedom has been abused to the point where Ezaelbin Hosseini, who is a religious leader, even boycotted the Islamic Republic's referendum. The reason he gave for his boycott was that he did not have sufficient information about the substance of the Islamic Republic. Since these statements were made by a person who claims to be an Islamic religious leader, they are truly surprising.

"You saw that, some time ago, the People's Fedayeen Guerrillas, intellectuals, the SAVAK people, and various classes all conspired together and suddenly attacked the Moslems, and it was clear that the plans had been layed some time ago. They attacked the people with stones, sticks, clubs, and knives. As a result, 300 people were wounded, and I even heard an eye-witness account that, on that day, as a result of a blow inflicted on an old man, his eyes popped out of their sockets. The events in Naqadeh, Marivan, Sanandaj, and Paveh also were conspiracies and the government, the Islamic Revolution Public Prosecutor's Office, and the leadership could no longer tolerate this. The Imam mobilized everyone with that historic decree, and you saw that, more than before, and even more than before the revolution, the nation was united in willingness to make sacrifices and in loyalty.

"Meanwhile, based on the authority that we found from the view and decree of the Imam, we issued the order for the arrest of Matin Daftari on the very first day. This person, who is enormously wealthy, beats his breast for the

poor laborer. Moreover, Reza Marzban, Qasemlu, Ezaeldin Hosseini, and other criminals who were involved were placed under prosecution. We have closed a number of deviant newspapers and magazines and we also intend to close a few more. The disarming of individuals and groups has also started. A group from the former Pahlavi Foundation and the present Mostaz'efin Foundation stole 70 million tomans and this money must be returned.

"When the Islamic Republic Party can rent a place for itself, there is no reason why other groups should take possession of government places. Any group which intends to carry on activities must be unarmed and must get an activities permit beforehand."

He was asked about Mohammad Montazari. Azari Qomi said, "As far as I know, he previously held a post in the Guards Corps; but, now I do not know whether or not he is still in this post. If he isn't, he and his clique must be disarmed."

8514

CSO: 4906

ILLEGAL HOLDERS OF ARMS TO BE EXECUTED

Tehran ETTELA'AT in Persian 2/ Aug 79 p 2

Text Following a meeting with Imam Khomeyni last night, Ayatollah Azari Qomi announced, "Any group or individual possessing and concealing illegal weapons and refusing to surrender them to the government authorities or the Revolutionary Guards Corps will be declared a seditious person and will be shot by the firing squad."

The Public Prosecutor of Tehran's Islamic Revolution Public Prosecutor's Office also added, "One of the commandments of Islam is that, if a person is armed and intends to take action against Islam, he will be acknowledged as a seditious person and will be sentenced to death."

Regarding the specific time frame for surrendering the weapons, Ayatollah Azari Qomi said, "This order is urgent. There is no need for a time period because all of the weapons can be surrendered to the responsible authorities in one day. This order considers no exceptions of any kind for any group, organization, or individual. All unauthorized persons must surrender their weapons to the authorities as soon as possible."

Ayatollah Azari Qomi also added, "This order is tantamount to an official decree, and all members of the Guards Corps, guards of the committees, and security officials of the country are obliged to implement it. At any hour of the day or night, if they become suspicious of a person or a vehicle, they must stop that person or vehicle and, if a search reveals that the person or vehicle has illegal weapons, they are to seize that person or vehicle."

Ayatollah Azari Qomi also said, "I was with the Imam and he said, 'No person has the right to misappropriate government buildings, and I never issued the order that the usurped place should be the possession of any group or organization. I deny the statement which the People's Fighters Organization has attributed to me, namely, that I authorized them to remain in the government buildings.'"

SURRENDER OF WEAPONS ORDERED BY ISLAMIC PUBLIC PROSECUTOR

Tehran ETTELA'AT in Persian 20 Aug 79 p 1

Text Yesterday afternoon, the Public Prosecutor of Tehran's Islamic Revolution Public Prosecutor's Office issued a statement requesting all parties and groups that are armed and that have taken possession of public buildings to turn over the weapons to the Revolution Public Prosecutor's Office and to evacuate the buildings. The text of the statement issued by Tehran's Islamic Revolution Public Prosecutor's Office follows.

Statement

In accordance with the desire and request of the brave nation of Iran, warning is hereby given to all parties and groups that were armed with weapons during the revolution and the attacks on garrisons and military establishments, with weapons that cannot be considered anything but offensive weapons and weapons of attack and the retention of which is exclusively the prerogative of the Army, the Guards Corps, and military units, and in particular to those groups whose nature and policy are known and are contrary to the desire and policy of the nation and Islam and which are keeping these weapons in warehouses, concealed places, and buildings that they have misappropriated that they are to surrender these weapons immediately to Tehran's Islamic Revolution Public Prosecutor's Office and evacuate the buildings; otherwise, the order for their arrest will be issued and they will be tried in the Revolutionary Court and will receive the severest punishment.

The Public Prosecutor of Tehran's Islamic Revolution Public Prosecutor's Office, Ahmad Azari Qomi--28/5/58 [19 Aug 79].

This morning, the Public Prosecutor of Tehran's Islamic Revolution Public Prosecutor's Office, in a conversation with ETTELA'AT, said regarding the disarming of the parties, "The parties and factions, or any individual connected with the parties and factions, violating this order will be arrested immediately and will be turned over to the Revolutionary Court." He added, "The same treatment applies regarding the evacuation of the places that are now under the control of political groups."

KHOMEINI, KHALKHALI SCOURGE KURDS

Paris AL-NAHAR ARAB REPORT & MEMO in English 3 Sep 79 pp 4-5

[Text]

Ayatollah Ruhollah Khomeini's determination to crush the rebellion by Iran's Kurds and his adamant refusal to negotiate any settlement has sent shock waves through the region once again. In Iraq, which is facing a revolt by its Kurds (although on a much smaller scale than in Iran), and in Turkey, where tension between Turks and "mountain Turks" (Kurds) has led to the proclamation of martial law, officials were busy last week seeking to contain the Kurdish explosion. No less a personage than President Saddam Hussein toured Iraqi Kurdish areas, stressing that Kurds are first-class citizens. Meanwhile, Turkish Interior Minister Hauan Fehmi Gunes was sent on a 10-day mission to predominantly Kurdish eastern provinces to check reports of Kurdish militant activity.

As this newsletter was going to press, Iranian army tanks were poised to strike at the Kurdish city of Mahabad. Bloody fighting seemed inevitable, with the likely outcome of the attacks being a prolonged guerrilla war in the mountains. Earlier, the Kurdish rebel forces at the town of Saqqez were driven out of the town by relentless air strikes from jet aircraft and helicopter gunships. The fall of Saqqez was followed up by Ayatollah Khomeini's grim reaper, the extreme right-wing Ayatollah Sadegh Khalkani, whose revolutionary court furnished firing squads with more than 70 victims, including a number of soldiers who had refused to fight.

A delegation from Mahabad went to Tehran to try to negotiate - and the army held off from its assault on the city. Premier Mehdi Bazargan's government apparently began talks, but any idea of peace was squelched by Abol Hassan Bani Sadr, the Islamic revolution's leading lay ideologue, who was speaking on behalf of the Ayatollah. He said the rebellion must be stamped out.

Exiled Kurds charge that it is Ayatollah Khome-

ni who has fomented war against their people in order to rally the support of Iran's Shiite masses in a *Jihad* (holy war) against the mainly Sunni Kurds — and they cited evidence that gave an aura of plausibility to their accusation. One of their more telling points was the Ayatollah's condemnation on August 19 of a Kurdish revolt which, at that time, did not exist if the province's top official is to be believed. While the Khomeini-controlled Voice of the Islamic Republic radio was pouring out statements against the "Kurdish conspiracy," Kurdistan's Governor General Mohammad Rashid Shakiba was insisting that all was quiet in the region. It is noteworthy, the exiles say, that the Ayatollah used the occasion to proclaim himself commander-in-chief of the armed forces. Subsequent fighting in Kurdistan was started by Shiite revolutionary guards, the Kurds allege.

"All this talk of a Kurdish conspiracy is a big charade," declared Iranian exile Djavad Alimir last week. "The Ayatollah is sensing a loss in support. It's a classic case. You create a sense of national emergency and then take over. That's what he did."

There may be other groups behind the war, however. Reports from Tehran indicated that a number of generals, who probably hold no love for the Ayatollah, see the conflict as a way of reconstituting the army. The reports also indicated that landlords seeking to regain control of their property were urging war against the Kurdish peasantry. Finally, there seemed a likelihood that members of the Ayatollah's entourage might be using the war to create exploitable confusion in order to advance their own positions of power.

The situation has clearly rattled Washington, where Carter administration officials said it was important to strengthen Dr Bazargan and his government. The officials confirmed that the US was still willing to furnish arms and spare parts ordered by the Shah and that talks were continuing with Iran on some \$5 billion worth of military hardware.

CSO: 4920

OIL IMPORTS FALL DRASTICALLY

Paris AL-NAHAR ARAB REPORT & MEMO in English 3 Sep 79 p 5

[Text]

Iran's oil exports have been cut by 400,000 b/d and have fallen below 1 million b/d on certain days, according to official sources last week. The officials, however, gave different reasons for the fall in exports. Khuzestan's Governor General Rear Adm Ahmad Madani blamed ideological disputes among oil workers while National Iranian Oil Company spokesmen said that bad weather in the Gulf was preventing tankers from loading at the Kharg Island terminal. A detachment of Islamic revolutionary guards was moved to Kharg to beef up security there and a posse of mullahs was sent to the oilfields by Iran's *de facto* Head of State Ayatollah Ruhollah Khomeini.

There have been conflicting reports on the volume of crude oil exported by Iran and NIOC stopped issuing daily production figures early in August. A senior official in NIOC's export section told *Reuters* last week that the level of exports in recent weeks had remained constant at about 3.3 million b/d despite the fact that Iran had been forced to cut output on some days. He said he knew of no labour problems at Kharg and declared that bad weather had prompted the company to cut output at times to prevent an excessive build-up in stocks of crude oil in the terminal's storage tanks. He did not reveal the extent to which production had been cut back. "Even if on some days exports drop below 1 million b/d because of bad weather, they climb to 4 million b/d on the next," he said. He predicted that the weather would distort daily export figures until October although he stressed that this would not affect average figures for liftings.

Rear Adm Madani meanwhile attributed the fall in exports to disputes between right-wing and leftist workers at Kharg in an interview published last week in the English-language magazine *Iran Week*.

"Unfortunately," he was quoted as saying, "we are still facing ideological disputes between workers of both refining and loading sections. Such disputes have resulted in the decrease in the volume of our exports. For example, on Kharg Island, the dispute between leftist groups and rightist groups has resulted in a slowdown." Rear Adm Madani added that "I hope we can reach a reasonable solution soon."

The figure of 400,000 b/d came from NIOC's Chairman Hassan Nazih. The official *Pars* news agency stated that the investigative team of Muslim clergymen had been sent to Khuzestan after complaints to the Ayatollah by members of the state-owned oil company's staff.

Mr Nazih told *Pars* that NIOC had approved the purchase of 240,000 tonnes of diesel oil and kerosene for the winter from the US. The purchase, worth \$47 million, was being made because Iran's own refineries were incapable of producing sufficient quantities of certain products. The deal, approved by President Carter, is a controversial one in the US because of a possible shortage of heating oil during a coming winter for homes in the northeastern region of the country. Mr Carter has said the sale of refined products was needed because sabotage of oil pipelines in Iran in July had led to shortages there.

Meanwhile, Iran's official Voice of the Islamic Republic radio denied reports that the country's main gas separation plant at Bide Boland in Khuzestan had ceased operations. The plant also acts as the pumping station for the IGAT-1 gas pipeline to the Soviet Union and the radio said it was working normally. It accused "counter-revolutionary elements" of spreading rumours about the gas plant.

CSO: 4920

PRESS NOTES ECONOMIC DEVELOPMENTS

Tehran IRAN ECONOMIC SERVICE in English 3 Sep 79 pp 12-13

[Text] The Central Bank of Iran (CBI) announced yesterday that the currency notes already in stock will not be destroyed but released for circulation after blackening the former Shah's picture on them. (BAMDAD, 29 Aug)

All the Government agencies are required to use the services of Iran Air for travel and cargo shipments paid by the Government. An official announcement said that the circular issued in this connection also cancels Article 6 of Iran Air's previous by-laws. (BAMDAD, 29 Aug)

The Ministry of Foreign Affairs announced yesterday that a Soviet banking team will visit here shortly to hold talks with Iranian authorities concerning the recent nationalization of all commercial banks in Iran. (ETTELA'AT 29 Aug)

Minister of Housing and Urban Development Mostafa Katiraei has said that all transactions of land measuring over 1,000 sq meters in Tehran and 1,500 sq meters in other towns have been banned. He also said that a new Land Organization will be set up shortly. (ETTELA'AT, 29 Aug)

Tehran's Mayor Mohammad Tavasoli said yesterday that the ownership of waste urban lands has been cancelled as announced earlier this year, and land prices in Tehran will be reduced to almost zero. (BAMDAD, 27 Aug)

The Varamin Cooking Oil Plant, an affiliate of the Government organisation, E'KA, has been expanded to boost its production by three times. The new production level will now touch six tons of cooking oil daily. (BAMDAD, 7 Aug)

The Ministry of Agriculture & Rural Development has assigned a special commission to Gorgan and Conbad areas to review the illegally-occupied farm lands in the pre-revolutionary period. (BAMDAD, 27 Aug)

Iran Hotels Corporation, an affiliate of the Iran Air, has taken over management of all hotels, hitherto owned by Iran Air. The National Airline now owns former Sheraton Hotel in Tehran, Koroush and Daryoush Hotels in Shiraz, and the Gamoron Hotel in Bandar Abbas, all of which have been renamed as Homa hotels. The new management will extend a 30 percent discount to all Iran Air passengers staying at Homa hotels. (BAMDAD, 27 Aug)

The Ministry of Labour and Social Affairs Labour Training Fund has started training at least 40,000 workers all over Iran in various trades. The fund's managing director disclosed that 1,044 trucks and 1,050 trailers, originally owned by the Ministry of Roads & Transportation, will be sold to jobless drivers. (ETELA'AT, 27 Aug)

NIOC Chairman Hasan Nazih has said that Iran will buy 240,000 tons of kerosene oil and gasoline for its winter reserves. (BAMDAD, 26 Aug)

Iran's rice yield this year is expected to be more than the last year and touch one million ton mark. Last year, Iran imported about half a million ton of rice. (BAMDAD, 26 Aug)

The Minister of Housing and Urban Development has said that the Housing Foundation for the Poor will start acquiring vacant houses from this week. (KEYHAN, 25 Aug)

The Director of the Small-scale Industries Organization has said that a new plan is under review to provide low-interest loans to small-scale industries of Iran. The plan will be implemented with the cooperation of Bank Melli of Iran. (BAMDAD, 25 Aug)

The Ministry of Agriculture & Rural Development announced yesterday that the total area under wheat cultivation this year is 5.3 million hectares more than last year. Weather conditions being favourable, total output is expected to reach five million tons against the annual consumption of 6.5 million tons, it added. (BAMDAD, 25 Aug)

Saudi Arabia has donated \$100 million to Iran for the rehabilitation and development of South Tehran localities. (KEYHAN, 25 Aug)

The number of outgoing Iranians is increasing daily and according to official statistics, over 53,000 Iranians left the country through Mehrabad Airport last month. (BAMDAD, 23 Aug)

Iran is spending about two billion dollars annually for financing Iranian students' education in foreign universities. Bank Melli sources disclosed that a total of 200,000 Iranian students are presently studying abroad. (BAMDAD, 23 Aug)

The Minister of State and Director of the Plan & Budget Organization, Ali Akbar Moinfar, has said that the current year's national budget has been approved by the Revolutionary Council. The total budget, with an addition of 22 billion rials stands at 2,462 billion rials, he added. (KEYHAN, 23 Aug)

CSO: 4920

PROJECTS REVIEWED IN NEW BUDGET

Tehran IRAN ECONOMIC SERVICE in English 3 Sep 79 pp 21-23

[Excerpt] Unfortunately, the surveys already undertaken in connection with certain development projects have shown bitter realities. Some of these examples are mentioned below:

1. Some of the development projects were, apart from extremely capital-consuming, technologically complicated and decisive in terms of political economic and social strategy of Iran.
2. Most of the projects have already cost expenditures several times over and above the initial estimates. There are several reasons for such increased expenditures. Thus, the original expenditure estimates on the projects are now totally changed.
3. Economic and social reasonings for some of the development projects, initially designed by foreign consulting engineers, were very general and of surface nature, and are being criticized in the present changed conditions.
4. The executive units of some projects, irrespective of the fact that matters related to designing and implementation were carried out by consultants and even foreign contractors, appear inactive and non-influential in preliminary study. These units, have, in themselves led to several problems.
5. Dependence of some projects upon other sectors has often been paid less attention causing problems.
6. Since, in the past, reports submitted by consulting engineers decided the fate of selection and implementation of the projects, this action resulted in clear disintegration in strategy and planning of socio-economic expansion in the country.
7. Despite the fact that some of the projects were supported by exaggerating explanations on their necessity in the consulting engineers' reports, these explanations have now lost their worthiness as a result of the general discussions and reviews planned in line with the philosophy of economic and social expansion in the country.

8. It's predicted that expenditures, to be incurred on maintenance and exploitation of most of the public sector projects now being implemented would turn out to be so huge that these would lead to general disapproval. With all the administrative reforms and healthy atmosphere that one might expect to have in future, these are not likely to change the picture already conceived of the huge expenditures which will be incurred on these projects in the production stage.

We can say, with the deep sense of responsibility, that we now face a multitude of problems, not created but inherited by us. While formulating the 1358 budget, we have posed this question to us: Can we formulate a desirable budget while confronted with all these problems? Honestly, the answer was in the negative: However, with the help of the notes proposed in Part I of the budget, we hope to bring about the necessary changes in the development project as the budget is implemented.

What was referred to in the Basic Budget Policy Section gave an account of the overall plans to confront the above problems. But, at the same time, a series of decisions and measures were taken for administrating various sectors of economy as related to the 1358 budget. These were as under:

1. We have, to our best efforts, brought down current expenditures by cutting off the extra ones. Details about them are shown in the budget tables.

Some of the critics might think here that economizing on current expenditures by the Government is the result of a decrease in its revenues. In the foregoing chapters, we have exhaustively dealt with the sale of oil and printing of currency notes. Therefore, we must tell the truth that the Government hasn't any need at all for such a large number of its employees. However, we have declared time and again that the salaries and allowances shall be paid to all the Government staff as well as they will be provided with all the essential services, but we hardly find it justifiable to force upon the people and the public fund, such extra and huge expenditures as were incurred in the past. Is there any reason that:

--Various directors should use Government cars?

--Government staff should be paid for official duties and overtime work?

--Government units should continue to occupy huge and unnecessary buildings?

--Despite the existence of graduates in all academic fields who have returned to their country from abroad, the Government should continue to grant scholarships to pursue studies abroad?

--Some of the staff should draw salaries as high as 600,000 rials in a month?

--The formal eye-catching and expensive programs should be continued?

--Government units, set up without any proper planning or a set objective for no specific program, should continue to remain idle?

--The Army budget, forced upon us in the past for the sake of alien benefits, shouldn't be cut down reasonably keeping in mind our own defence needs?

--Administrative expenditure like fuel, water, electricity and maintenance and repair expenditures on installations and materials shouldn't be economised to make less spendings from public funds.

There is a group which believes that the Government's decision to put money into national economy is aimed at enlarging its administrative set-up with a view to benefit some specific group. Such an objective was aimed at in actuality by the past regime. However, at that time, nobody dared to raise such a question.

2. In relation to the fixed capital expenditures, despite the problems outlined earlier, we were able, during the brief period at our disposal, to take the following measures and reflect their results in the proposed budget:

--We have divided development projects into three types: (a) essential projects, (b) non-essential projects, (c) other projects requiring further reviewal on their continuance.

--The essential projects are those which are job-creating in nature and those persons benefitting from their income are acceptable. Such projects produce goods and essential services needed by the general public in a short period. For example, projects related to hospitals and clinics, road-building, irrigation and agriculture etc. A list of such projects for each program has been brought in the budget bill annex.

--The non-essential projects are those whose revenues are taken away by foreigners, or which are considered to be redundant at this stage of economic development in the country. These projects were forced upon our people in line with the policy explained before. Such projects, irrespective of their advanced phase of implementation were stopped forthwith as a result of our social and technical observations. Such projects were, for example, some military bases, nuclear power plants, the Shahreze Industrial Complex, the 6-lane autobahn etc.

--The third category of projects are those on which no concrete decision can be taken presently for their continuance, discontinuance or a total change in them. However, what is certain is that most likely operations on such projects would continue, otherwise these, too, would have been placed in category (b). Important point to note in these projects is that some of them are close to their final phase and if judged favourably, some of

these should continue with the change of beneficiary. If such projects are judged to be technically feasible in view of their physical progress, either their executive plan should be corrected by making some minor changes, or final decision about various groups to benefit from these projects should be taken after completion of the building operations.

CSO: 4920

U.S. DOLLAR POSITION INFLUENCES IRAN'S ECONOMY

Tehran IRAN ECONOMIC SERVICE in English 3 Sep 79 pp 14-15

[Text] Iranian planners and those officials responsible for economic affairs are, at least, for two inevitable reasons, compelled to constantly review the U.S. dollar's position in the world market. The first reason is that payments obtained from the sale of Iranian crude, which is the major source of income and foreign exchange reserves, are made in the U.S. dollar. Further, the pricing system of the Organization of Oil Exporting Countries (OPEC) is based upon the dollar. The second reason for paying constant attention to the upheavals in the dollar position is that Iran's foreign exchange system is also based upon a fixed link between the dollar and rial.

First effect of the declining value of dollar in Iran is to boost the purchasing power of our foreign exchange reserves that are maintained in dollars. Since the oil revenues are paid in dollars, any decline in the value of dollar automatically is reflected in Iranian economy as the country's capacity to purchase goods and services from world markets is reduced proportionately. Because of the fact that all the OPEC member-states are equally affected by this loss, constant decline in the value of dollar causes these countries to regularly hike the price of their oil in order to regain their lost rights which consequently is reflected in the world's worsening political situation. It's now high time that all members of the OPEC should make serious collective efforts to replace their oil pricing currency unit which is currently the U.S. dollar. In case a comparatively stable currency is chosen as OPEC oil pricing unit, there would be less frequent oil price hikes, and subsequently less political confrontation between the oil producers and oil consumers at international level.

Among other effects of decline in the value of dollar on Iranian economy (in case all other factors remain constant) is an expected boost in our imports of non-military commodities from the United States. In general, by the time the implementation of new economic programs does not bring self-sufficiency in the level of our products and livestock breeding, and until basic domestic industries are not set up through reliance on our domestic production resources, there is every likelihood that an increase in imports would be inevitable.

Another point related to the value of the U.S. dollar is the policy adopted by the Central Bank of Iran (CBI) in maintaining a fixed rial-dollar link. As recently announced by the CBI officials that they intend to put an end to this link, this fixed relationship appears to be quite illogical. At a time when the value of dollar is constantly changing as a result of U.S. policies, there is no reason why the Iranian rial should follow the same path as all other currencies that tow the U.S. line. On the contrary, the value of Iranian rial should be determined by the decisive factors of our national economy such as the level of production, competition among Iranian and foreign goods, the amount of money, the price level and degree of inflation in Iran and those countries which are a party to our commercial dealings.

During the past few years despite the fact that the prices of nearly all goods and services have gone up appreciably in Iran, the value of dollar (i.e. the dollar-rial link) has been maintained constant on an artificial basis by the Iranian Government. Such a policy automatically is causing an increase in imports and is encouraging the people to transfer their capital abroad. Moreover, since the domestic production has presently not progressed sufficiently and the hike in prices continues unabated, a sudden rise in the value of dollar would not only lead to the spiralling of prices of imported goods but would also worsen the inflationary conditions. As such, any change in the rial-dollar link should necessarily be brought about on a gradual basis and within the framework of a comprehensive economic program aimed at increasing the domestic production and decreasing the volume of foreign imports.

CSO: 4920

NEW POLICY, ACTION URGED TO RESOLVE PROBLEMS OF ISRAELI ARABS

Tel Aviv HA'ARETZ in Hebrew 17, 19, 20, 21 Aug 79

[Article by Amnon Rubinstein: "A Peaceful but Vital Coexistence"]

[17 Aug 79, p 13]

[Text] The comments attributed to Major General Ben-Gal in regard to the Arabs of Israel once again raised for public discussion one of the most pressing and burning problems of Israel. It seems that the commanding general of the Northern Command did not make the comments attributed to him and did not include in them the Arabs of the Galilee but rather only certain groups, and he also did not refer to the Arabs of Israel as a "cancer." Even without these expressions, he did not have to say what he said. However, for our interest, what is important is not what the general actually said but rather the support which his comments received, as they were publicized in the communications media. This reaction attests to the fact that there is a growing public feeling that the Arabs of Israel -- the majority, if not all of them -- are no longer loyal citizens of the State and that their identification with the PLO and with the enemies of the State is overt and clear.

This position -- which was first expressed in the unfortunate "Koenig Paper" -- is receiving support in extreme and far-reaching expressions.

As I will attempt to show, this extreme position is based on half-truth and on a partial view of a complex and complicated problem. Even if we assume for the moment that the overwhelming majority of the Arabs of Israel do identify today with the PLO, are ready at any moment to attack us, and display a strong hatred for everything which involves the name of Israel, one must ask what the conclusion is of this determination. What actions must be taken in the wake of the aforementioned finding?

Rabbi Kahane and his followers draw a "logical" lesson from this finding: we must evict the Arabs of Israel, load them onto trucks and trains, and expel them from the country. However, this conclusion is unacceptable to most of the public, and even the groups which are warning the public about the extremism in the Arab community do not support this type of solution.

In other words: most of the public and the Knesset accept the fact that the Arabs of Israel will continue to live in Israel and to be its citizens. Moreover, according to all the forecasts, the number of Arab citizens of Israel will grow and their percentage of the population will increase. In 1995 the number of Arabs in Israel will be between 1.08 and 1.13 million, and their percentage in the population will be -- in accordance with the rate of increase -- between 18.2 and 21.4 percent. In other words: in one generation, every fifth citizen and voter will be an Israeli Arab, and a united Arab party if one should emerge, will be able to receive a little less seats than the Labor Party has today.

It is from this that the first weakness of the extremist camp stems. It states the fact of the affiliation of the Arabs of Israel with the PLO, without offering any solution for a population which is growing stronger. Its statements do not offer a contribution or proposal for correcting the situation. There is a view that this warning campaign will frighten or at least serve as a restraining factor on the extremism process in the Arab street. There is no proof for this. On the contrary, one can point to a connection between the hardline approach to the Arab community and the extremism process.

What more hardline expression has there been than that "Land Day" in March 1976 in which 6 Arab citizens were killed and 70 wounded by the security forces during the course of the demonstrations against land expropriation? However, that day became a springboard for nationalist propaganda in the Arab street, and as a result, there was a significant increase in the strength of the RAKAH and elements more extreme than it. On the contrary, when the Arab voter was able to decide between extremist Jewish parties and relatively moderate ones, he voted for the moderate ones in spite of the fact that with this vote he turned his back on the nationalist-extremist camp. Such was the case with the Arabs of East Jerusalem when they voted for Teddy Kollek despite the political significance of their very participation in elections for a Jewish city council in the united city. Such was the case of the Arab vote in the Histadrut elections, which came after the collapse of the Alignment in the elections to the Knesset and which bolstered it significantly. Whoever thinks that it is possible to "frighten" the Arabs of Israel with all-inclusive comments which stigmatize them as PLO supporters does not recognize

the current reality and is living with the foolish feeling of bygone days when Arab matters were entrusted to those who presumed to be experts in the "Arab mentality."

If the comments are not intended to frighten the Arab public, what then is their purpose? Some say that the intention is to confront the Israeli public and the government with the seriousness of the situation and the need to bring more Jews to the Galilee. However, doesn't this recognition sufficiently permeate all the communications media? Were not all the ministers ready to swear on it, to the point that it was necessary to raise it with such brutal means? Has the populating of the Galilee encountered difficulties because of the lack of public awareness, or is the root of the problem perhaps something else and one which is involved among other things with the powerful priority given to the settlements of the Gush Emunim in Judaea and Samaria? Who is to blame for the fact that groups which are prepared to settle in the Galilee cannot do so -- public awareness or governmental negligence?

The all-inclusive statement regarding the Arabs of Israel does not serve any national objective, however on the contrary, it inflicts additional damage on the substance and image of Israel as a modern society. All-inclusive statements against a strong group and referring to it in pejorative terms is not precisely the one thing that Israel needs today. These statements validate and confirm the PLO-Arab claim that Israel is incapable of coexisting with Arab peoples, and not even with its own citizens. They pour oil on the pyre of anti-Israeli propaganda, which tries to depict Israel as a racist society. They confuse the Jews of the diaspora for whom every all-inclusive and slanderous statement regarding a strong minority is in the category of an abomination.

In short, the extremist camp which warns against the "treachery of the Arabs" is not serving any interest of Israel but rather is putting weapons in the hands of its enemies. The one and only claim remaining, therefore, is the obligation to bring to the public's attention the facts as they are in order that its right to know what is happening in its country should not, God forbid, be adversely affected. Are these alarmist descriptions really true?

There is no doubt that in recent years, and mainly since the Six Day War, there has been increasing extremism among the Arabs of Israel. Its basic condition is not the same as that which characterizes an ordinary minority but rather a minority which is affiliated with a hostile majority among which Israel resides. In these circumstances, it is clear that the moods in the Arab street in Israel are influenced primarily by external contacts

and Israel-Arab relations. The contact with the Arabs of the West Bank and with the active focal points of Palestinian nationalism has created a dramatic turning point in the attitude of the Arabs of Israel to the State, the significance of which was not evaluated at the time by the experts. This turning point toward the Palestinian identity, which is gradually occupying a place in the Arab and international consciousness, is also fed by the internal-citizen condition of the Arabs of Israel: a hazardous integration of economic prosperity and their inability to be assimilated in the Israeli establishment and the closing of whole professions and occupations to them. High expectations were also involved, and the frustration increased and created that dangerous compound, the destructive force of which is known to anyone who has studied a little history. The extremism process brought with it several expressions with which Israel cannot reconcile itself. In the universities, several Arab students demonstrated their hatred for Israel and its values in a way which required a reaction. In the Galilee, on more than one occasion Jews have encountered manifestations of hatred and physical hostility which have been shocking in their extremism. There is a line between the expression of a world outlook, however extreme it may be, and unbridled incitement, and whoever crosses this line, Jew and Arab alike, must be held accountable for it.

The simplistic statement which includes the entire Arab community, or the Arabs of the Galilee, in one slanderous description, is erroneous in every possible aspect. It ignores a series of facts.

It has never been realistic to demand of the Arabs of Israel -- at least as long as the Arab-Jewish confrontation continues -- a full psychological identification with the State and its main values. The principal demand which can be made upon them is the reconciliation with the fact of the existence of a Jewish state and complete loyalty to its laws. In this respect, the overwhelming segment of the Arab community has passed the test. One of the greatest achievements of Israel has been the prevention of a civil revolt or a large underground movement among the Arabs of Israel. This achievement is now in danger of erosion, precisely because of the various kinds of Koenig papers and the creation of blatant discrimination such as compensation for cost-of-living increases given only to the Jewish sector.

Also with respect to voting patterns, it is not true that the overwhelming majority of the Arabs of Israel identify with the enemies of Israel. Half of them vote for Jewish-Zionist parties in which there is no Moslem or Christian Arab to represent the main concentrations of Arabs of the Triangle and the Galilee (without ignoring the important work which the Druze and the

Bedouin members of Knesset, which are represented in the Jewish-Zionist parties, are doing for the Arabs of Israel). The existence of this phenomenon is a political miracle. The vote for the RAKAH, at least in part, is an ordinary citizen vote in that it represents the simple and daily civic demands of the Arab citizen without the restraints and limitations which exist in the Jewish parties.

Even in terms of the national identity of the Arabs of Israel, there are here and there also positive aspects. In a basic study which the Institute for Applied Social Research conducted for the Ford Foundation on the identity of Arab academicians in Israel, although the group with the Palestinian, or Palestinian Arab, identity comes out as the strongest group -- 40 percent of the entire sample and 61 percent of those under the age of 25 -- there still is a significant minority of 19 percent -- 33 percent of those over the age of 36 -- which regards its national identity as Israeli or Israeli Arab. This is a surprisingly good number, if we take into account that which has transpired in Israel and in the region in recent years.

However, the main interest is not in determining the present situation in an area, the severity of which is not in dispute. The main question is what is to be done in order to extricate ourselves from this situation. Making all-inclusive charges will only diminish the strength of the moderate camp, increase the despair about Israel and the hatred toward it, and damage -- how can we forget this matter! -- the very prospect of living in peace with our neighbors.

The other way is to consider the facts, examine them, and draw positive lessons from them for the purpose of continuing the co-existence, difficult but necessary, painful but vital, of Jews and Arabs in Israel.

[19 Aug 79, p 9]

[Text] No one disputes the fact that the external situation -- that is to say, Arab-Israeli relations in general and the Palestinian problem in particular -- is the factor which determines the attitude and approach of the Arabs of Israel to the State and to its values. In this matter also -- as in other matters -- there is no clear distinction between the internal and external problems of Israel, and an issue which is defined as being one of "foreign affairs and defense" has a profound implication for one of our pressing internal problems.

External events are the primary milestones which mark the history of the Arabs of Israel. The Six Day War stands as a

milestone which represents a sharp turning point: in the War itself, there were splendid phenomena of Arab citizens helping the State which was fighting to defend itself, however the contact with the Palestinian community in the West Bank is laying the foundation for a new kind of Arab nationalism. The Yom Kippur War encouraged this process in exposing, seemingly and erroneously the weakness, as it were, of Israel against Arab countries.

Peace with Egypt could have served as a milestone in the opposite direction and actually could have been the beginning of an historic reconciliation within our country of Jews and Arabs. However, since this peace was accompanied by the actual ignoring of the Palestinian problem, a system of settlements, and "the heavy hand" in the territories, and since it was accompanied by a hasty and dangerous declaration of personal autonomy for the "Arabs of the Land of Israel," it gave an additional impetus to the growth of a new and unprecedented Palestinian nationalism inside Israel.

Nevertheless, it is a clear mistake to view the issue of the Arabs of Israel only as a function of the external confrontation. Such a view maintains, in actuality, that there are no political significance and effect to the problem of the Arabs of Israel as citizens, as residents of a city or village, as consumers of services, as seekers of work and progress, and as Israelis. Such a narrow view eliminates the entire civilian problem of the Arab sector and tries to maintain that contrary to the nature of man and the laws of society, the issue of the rights and status of the Israeli Arab does not influence his personal attitude to the State and to its Jewish majority and that his attitude, in its entirety, is influenced only by the national conflict.

Such an approach also is in opposition to the few research findings available to us regarding the identity and feeling of the Arab academicians. The study of Dr Halil Nahalah on "The National Awareness and Education of the Academician in Israel" (see the article by 'Atallah Mansur in HA'ARETZ, 10 Aug) points out that the Arab national awareness of the group of academicians who served as the subject for the study is not as strong as was expected. However, even more significant is the study of Mahmud Miri which the Institute for Applied Social Research conducted for the Ford Foundation.

This study found, as was expected, a large Arab and Palestinian identity, and the lower the age the greater the identity. Nevertheless, an examination of the factors which influence this identification is interesting and enlightening. Although what is involved is an academic community -- that is to say, a factor which is considered radical and nationalistic -- the findings

give evidence of the clear connection between success in one's job and the attitude towards Israel. The identity with Israel increases with the rise in income, the level of academic achievement, and the feeling of job satisfaction.

There is an especially high correlation (43) between the degree of identity with Israel and the person being questioned "being generally satisfied with his work" and feeling that "he belongs to a profession." Among the other factors which affect the degree of identity are the attitude of the Israeli authorities to the Arab minority and the location of the residence. Residents of mixed cities feel less Palestinian and a greater identity with Israel than residents of Nazaret and the villages.

All of these findings refute and contradict the argument which sees all the Arabs, not only the PLO supporters, as an element which cannot be brought closer to Israel by a change in the attitude towards them. In actuality, these findings, like the experience of life and the recognition of reality, require a complete change in the current policy. They require that we stop listening once and for all to the experts in the "Arab mentality" and we discard the various kinds of Koenig papers. The all-embracing and comprehensive statements found in them do not pass the test of reality, and their advice is the fruit of despairing of the ability to influence the Arabs of Israel.

It is true that the nationality issue will always overshadow all the other ones. However, whoever denies the importance of the citizen issue denies logic and experience alike. Whoever pre-determines that there is no importance to issues such as housing, education, land, planning, industrialization of the village, and employment for the academic proletariat, and that providing a correct response to them will not change the patterns of conduct of the Arabs of Israel attempts to deny the facts of life.

Moreover, such a viewpoint attempts to attribute to the Arabs of Israel characteristics which cannot be associated with any minority or any strong group involved in a confrontation with another group. It attempts to say that the demand for equal rights -- in education, in representation in key positions, in housing, and in agricultural and industrial development -- does not fulfill a political function.

Also the claim that a demand of this type must be erased because of the exemption of service in the IDF given to Arabs does not withstand the test of logic and reality. It is a fact that also the Druze community, whose sons served heroically and who have fallen in Israel's battles, does not have equal rights de facto, as opposed to de jure rights, and that because of this, there is

considerable resentment in the Druze villages and among the IDF veterans among them in particular. Many claim that manifestations of Palestinian nationalism among the Druze community are the result of this integration of high expectations because of service in the IDF and the frustration which stems from their non-realization.

We find a similar situation today among the Bedouins in the Negev -- a loyal community, many of whose sons served with loyalty and sacrifice in IDF units. There is a growing bitterness, not with a national background, but rather with a background of complaints against discrimination and land seizure. These complaints were especially strong after the "Bedouin Law" -- a draconian, anti-constitutional law which discriminates between citizens -- stands to give the Bedouin family in exchange for its house and farm a sum equivalent to the compensation given for one watermelon in the famous vegetable garden of Ne'ot Sinai.

In the two instances -- the Druzes and the Bedouins -- it is possible to isolate the national factor, the basic concept between Israel and the Arabs, and the service in the IDF. In the two instances, the citizenship problems stand naked, unclothed, and unanswered. In the two instances, the thesis which maintains that there is no importance to the citizen, daily, and routine aspect is refuted. It would be arrogance to assume that what is correct for the Druzes and the Bedouins disappears completely when one speaks of the Arabs of Israel and to attribute all the problems to security responses and the issue of service in the IDF.

The truth at times is the opposite: it is not the security problem which creates the gap in rights. The absence of a clear-cut policy regarding the Arab community, including the mapping out of its de facto rights and not only in the ballot box, is that which creates the security problem, the severity of which stands in inverse ratio to the superficial and simplistic treatment given it.

[20 Aug 79, p 9]

[Text] It is a mistake to view Arab-Jewish relations as a simple matter of a majority and a minority, on the scale of a Jewish minority and a Christian majority. The Arabs of Israel belong to a hostile majority, among which Israel is a minority. This situation is familiar to us from similar historical circumstances -- such as the Turkish minority in the Balkan countries during the Ottoman period and the German minorities in the countries next to Germany during the period before World War II.

For this reason, whoever states, akin to the formulation of Prof Arnold Toynbee, that the Arabs in Israel are the Jews' Jews is mistaken. Not once was there any country in back of the Jews which threatened the majority among which the Jews lived. The anti-Semitic mythology had to invent blood libels and the Elders of Zion. Israel is not creating a mythology: it is living like a besieged island in a hostile Arab sea.

This must be said because there is a danger that men of goodwill will view the difficult problem which faces us as a matter of civil rights, equivalent to the struggle of the Blacks for civil rights and other such confrontations between a ruling majority and an oppressed strong minority.

Whoever saw on Friday night on the Diary of the Week on television members of the village of Kavul talking about their unconcealed hatred of Israel and praising their only homeland, Palestine, was convinced that they were not talking as members of a minority but rather as representatives of the Arab majority which threatens the extermination of Israel. I do not know if there has ever been in history a more difficult provocation than that which the Israeli Arabs who identify with the lowly murderers of "the liberators of Palestine" are presenting.

However, after we have said this, and after we have repeatedly warned ourselves that we must not ignore the Arab-Jewish confrontation and its implications, it is necessary to again speak about the situation in which the Israeli Arab finds himself. From his point of view, that which characterizes his belonging to a minority is that his actual rights, as opposed to his legal rights, are inferior to the rights of the Jews.

The law that applies to him, in actuality, is not equivalent to that which applies to his Jewish neighbor or friend: if he is a farmer, he will not receive equal assistance; if he is a university graduate, his prospects for finding work are flimsy; if he wants housing, there is virtually no government plan prepared to assist him, if he represents a local authority, he will not receive the financial assistance which the Jewish settlement obtains; if he wants to live in a Jewish city, he will encounter many difficulties; his language, despite its being an official language, is more and more being removed from official documents and from the signs on the roads and in the cities.

The officials who will deal with his concerns -- virtually without exception -- will be Jews. When the prime minister visits his region, he will not bother to visit his village. In many government offices, like in the Histadrut, virtually no Arab is employed (and not even a Druze or a member of another

minority who served in the IDF); his contacts with the Jews are extremely trivial and limited to the place of work; most of his jobs will involve menial work. His children will go to a school which is inferior, in terms of physical conditions and the quality of the education, to the worst of the Jewish schools; the only universities he will be able to attend require him to cope -- in a language which is not his mother tongue -- with graduates of the Jewish schools. If he will be among the lucky ones who complete the university, he will be able to work only in a limited number of occupations -- teacher, lawyer, social worker, and so forth.

Against all of these, he will benefit from the fact that he has not served in the IDF and that, as many claim, "the Arabs do not pay taxes." However, these two things will not change his feeling. Although non-service in the IDF gives him a significant economic advantage, this advantage is in contrast to his feeling that the Jews who do not serve in the IDF do not encounter the obstacles which are placed in his path and that even the allowances for persons of military age are arranged in such a way so as to permit the compensation of a Jew who has not served at all in the IDF.

Even the claim that he does not pay taxes in accordance with the law cannot compensate him for the damage to his rights. Such a claim is not true for the large group of Arab wage earners from whom taxes are deducted, as is the case with every wage earner, in accordance with the law. It is also untrue in regard to the 27,000 Arab independents who are registered with the assessment officials and with whom the customary supervision and inspection measures are taken.

The claim is correct in regard to other independents in the Arab sector, and it takes on its own doctrine when one speaks of an open and biting refusal to pay for bonds, such as the Broadcasting Authority bonds, and the value added tax. However, this claim can certainly not serve as a justification for the prejudicing of the rights of the Arab community but on the contrary, it requires the authorities to impose uncompromisingly the laws of Israel, including the tax laws, in the Arab sector.

Additional arguments are heard in order to justify the inferiority of the Israeli Arab, in terms of his actual rights, in comparison with his Jewish associate. As such, for example, no one can doubt the correctness of those who claim that the Arabs of Israel are enjoying an unprecedented economic prosperity and that despite the difficulties in construction and licensing, the spaciousness of their housing is among the highest in Israel.

Every objective person will be impressed by the enormous improvement which has taken place in the status of the Arab farmer and by the substantial increase in the income of the Arab worker, who works in the conditions of a market hungry for labor. This impression will be strengthened sevenfold when we compare it to the shocking lack of progress which characterizes a significant number of the Arab countries. It is natural that Jews will resist the wave of anti-Israeli nationalism when it comes against this economic background.

However, these claims ignore not only the other aspirations of the Israeli Arab citizen but also the lesson known to all, that is that economic prosperity only aggravates the results of every civic and political discrimination and that the integration of rising expectations and their shattering against the background of reality is that which creates the fuel which feeds revolutions. There is no better example than the one of the Arab youth whose appetite is whetted by his education and whose hunger for professional work is not satisfied by the society in which he lives.

Only one who has no concept of history and who is unaware of other societies will regard the economic prosperity in itself as an answer to the problem.

Another argument which is frequently heard in order to explain the gap in actual rights between Jews and Arabs maintains that the support of world Jewry is intended only for Jews and for this reason the money must not be diverted to the Arabs of Israel. This is an argument which is unproven in two respects. First, the income from the Appeal represents a marginal part of the financial and economic aid to Israel, and today it constitutes no more than 3 percent of the sums imported to Israel in comparison to 17 percent in previous years (see the article of Shimshon Ehrlich, HA'ARETZ, 27 July). Most of the aid to Israel comes today from funds of the United States government, which has a tradition of non-discrimination, and certainly the Congress on whose authority the funds are given does not intend that they will be used preferentially for services to Jews.

Second, this kind of claim has never been heard from the Jews who are giving the money but only from the Israeli establishment, the recipient of the money. I am prepared to go so far as to say that no serious Jewish organization will be found which will be ready to support such a claim. On the contrary, the Jews of the diaspora, and in North America in particular, regard every such claim as a dangerous precedent which can be used against them. When they hear, for example, about the way that the issue of allowances for persons of military age was organized, they are often fearful about its significance. (Incidentally, Member of

Knesset Avraham Melamed, a member of the NRP, voted against these allowances because they would have an adverse effect on Jews in the diaspora).

The Jews of the United States are accustomed to the fact that one community participates in aid to another community. Most of the large Jewish centers in the United States receive financial aid from Christian institutions and provide services to non-Jewish children. The Israeli distinctions are strange to them. One can not blame the Jews of the diaspora with the responsibility for the de facto inequality between Jewish and Arab citizens.

Perhaps the most prejudiced right in the entire complex system of relations between Jews and Arabs in Israel is the right to be treated as a person, as an individual, as an Israeli. In the very arguments and counterarguments which I have mentioned above, there is a prejudice of this right: the Arabs are against Israel; they do not pay income tax; they do not serve in the IDF; they have never had it as good.

In all of these claims there is an element of truth, however when they are directed against the individual Arab citizen and serve as a basis for prejudicing his rights, they express untruth, injustice, and unreason. This is the citizen's right of the first rank, even though it is not written in the law: the right to be judged by your own actions and not to be stuck with the disgrace of others and the labels which others have applied to members of your community.

We must teach ourselves this right in spite of the extremism, in spite of the "villagers." and in spite of the identification with the PLO so that there will be no repetition of the all-inclusive and damaging statements about the Arabs of Israel of the kind that we have heard and read recently. We must teach ourselves that alongside this right, there is the absolute obligation to obey the laws of the state and its institutions, and that we must not accept the creation of Arab enclaves where they do not apply.

These two things -- the right and the obligation -- go side by side and only scrupulousness about both can remove us slowly and gradually from the dangers which are lurking for both peoples alike.

[21 Aug 79, p 11]

[Text] Whoever examines the content of the problem of the Arabs of Israel is affected by the power of the statistics: we are speaking about a population which already today is as large as

that of the Jewish settlement at the time of the establishment of the State. In this population there is a growing extremism. According to the findings of a survey conducted by Dr Sami Samuhah of Haifa University, 50 percent of the Arabs of Israel do not recognize the State's right of existence, 64 percent believe that the Zionist movement is racist, and 59 percent want to return Israel to the borders of the Partition.

The lower the age -- and it must be remembered that three-fourths of the Arabs of Israel are under 30 years of age -- the stronger is the feeling of Palestinian identification and the weaker is the attachment to Israel. This young generation speaks a fluent Hebrew, is Israeli in its conduct and appearance, and recognizes Israel, its manners and institutions. It is easy to estimate the kind of internal danger that would lie in wait for us if, God forbid, the terrorist organizations would be able to mobilize a significant part of this generation for the establishment of an underground movement, or if they would succeed in bringing it to a civil revolt.

The problems which confront us today would be dwarfed by the dangers which we could expect from this process. Our great achievement -- that is to say, that despite all the problems, an Arab internal underground of substance has not arisen -- would vanish.

There already exists a danger that the law and institutions of the Israeli authorities will effectively disappear from the large centers of Arab population. Jews who visit certain Arab villages already today sense an open hostility, and Jewish settlements tell of plots of violence, including those directed against property.

There is gradually being created a physical isolation in which Arab villages exist with virtually no contact with Israel and its representatives. The Jewish parties go into the Arab street only before the elections, and in some of the Arab settlements, the political campaign is waged today between the "moderate" RAKAH and the "villagers" -- actually the "natives" -- who attack the Leftist Democratic Front as collaborators and traitors. When the RAKAH lists win elections, the Arab student organizations consider it an achievement. We have reached this point.

Worse than all: even among the communities whose loyalty to Israel has been among the most notable -- there is an erosion which until a short time ago would have been considered impossible. The same applies to the Christian communities from which not many years ago there were volunteers for service in the IDF and which today are not substantially different in

their positions towards Israel than the Moslem majority. Villages which have been moderate and loyal, Mi'ilya for example, have been involved in throwing stones at the police.

Concurrently with this deterioration, there have been changes for the worse in the system of representation of the Arabs of Israel in the governmental structure. The few achievements recorded in the past have disappeared: there is no longer a non-Jewish deputy minister; there is not even one Druze in the Israeli foreign services, there are no Moslem Arabs in the Knesset, except for the Leftist Democratic Front; Arab activists in the Jewish parties have virtually vanished; there are very few organizations for coexistence working in the area. It seems at times that the Jewish political establishment, which has been astounded by the intensity of the problem and the shock of the extremism is deciding to lock itself into its familiar home and does not want to leave it in order to cope with the problem.

How is it otherwise possible to explain the powerlessness, the cessation of action, and the decisions of the government? When Menahem Begin came to power, he promised, in the spirit of Jabotinsky, that an effort would be made for equality of rights and cooperation with "the Arab and the Christian." The prime minister spoke about returning those evicted from Bir'am to their village, and he stated that an Arab judge should be appointed to the Supreme Court. However, nothing remains from these two statements. The prime minister appointed Dr Moshe Sharon as his advisor on Arab affairs, and the latter began with great fanfare and disrupted the public and parliamentary discussions with a series of bold proposals.

In a short time, it became apparent that no one in the government was ready to pay attention to him. The government did not hold even one discussion on this subject, and it does not maintain, in actuality, the ministerial committee and the directors-general committee for the affairs of the Arab sector. When Dr Sharon saw that such was the case, he resigned, and as yet a replacement has not been appointed.

In the Knesset, the government promised one-half year after its establishment that the subject of the Arabs of Israel would be discussed "soon" in order to determine a policy. However, this "soon" has continued uninterruptedly, and every few months, a government spokesman repeats the promise that the expected discussion will indeed take place rapidly. Also, no one knows what the government intends to do.

On 6 December 1978, in a response to a proposal for the agenda made by Member of Knesset Shmuel Toledano, Minister Nissim said

that "the government does not share the opinion that there has been an extreme erosion among the Arab population toward the State of Israel, toward its right to exist, and all that implies." In spite of these quieting words, Minister Nissim stated, "A proposal that action in the Arab sector be transferred to the responsibility of one of the ministers is being considered at various governmental echelons."

A short time later, Deputy Minister Yoram Aridor said completely the opposite in the Knesset, and he explained that the government does not intend to appoint such a minister.

As such, in the face of one of the most difficult and dangerous problems of Israel, the government stands powerless, not only in taking no action but also in holding no discussion and making no decisions. Important decisions are made by a functionary echelon or by an individual minister. Such was the case, for example, when the decision to establish an observation post 1 kilometer from Mi'ilya -- actually adjacent to the village houses -- was taken without a decision by the ministerial committee. The same applies to a series of other frictions about which many, including security people and experts, deny there is a need.

Urgent and burning matters, such as the deterioration in the Druze community, are not warranting any action. The security services are making the warnings -- paradoxically, they are today standing in the forefront of those who are demanding co-operation and the integration of the Arabs in the establishment -- however no one has listened to them.

What must the government do? It must draw the one and only rational conclusion from the given situation: a strong hand for imposing the law and institutions of the government on the one hand, and the change of policy in everything connected with the equality of rights in practice on the other hand. Israel cannot reconcile itself -- and this must be stated clearly -- that this authority and control will not exist in Arab enclaves, as it were, or that an open incitement against the existence of the State will pass with no response. It must be stated in the clearest terms that for us the Galilee is a part of Israel just like Tel Aviv and the coastal plain and that it is a delusion to toy with the idea that it can be torn from us even if it will have an Arab majority. There are also limitations to the freedom of expression in a democratic system, and no one must be permitted to cross over the line which separates an expression of opinion, however extreme it may be, and incitement.

Simultaneously with this firmness, we must begin a new arrangement between the Arabs of Israel and us. This arrangement will

be based on a realistic awareness of the substance of the national confrontation on the one hand and on the necessity to strive gradually, and through a knowledge of the limitations and obstacles, to equalize in practice the rights of the Arabs of Israel with those of the Jews on the other hand. In actuality, when one examines the situation properly, clearly, and realistically, there is no other way to prevent the aggravation of the problem to dangerous dimensions.

This not only involves the Arabs of Israel but the very capability of coexisting with non-Jews in our region. Whoever buries this capability on the internal level, a level in which we are the governing authority and the majority, decrees an end to the very possibility of Israel's maintaining a normal existence in an Arab Middle East.

It has been decreed for us to live with Arabs and among Arabs. It has been decreed for the Arabs of Israel to live among us. This is that painful but vital coexistence which this series has pointed out.

5830

CSO: 4805

BRIEFS

NEW SETTLEMENTS--The first 40 housing units will be set up this month in the settlement of Qarney Shomron B. Infrastructural work for the establishment of the settlement has been carried out over recent months and will be completed in the next few days. Authoritative settlement sources reported yesterday that the infrastructural work for the establishment of Qarney Shomron C and D, whose erection was recently decided, in principle, by the cabinet (it is due to this decision that the dispute between Deputy Prime Minister Prof Yiga'el Yadin and Agriculture Minister Sharon has erupted) will begin within a year. The establishment of Ma'ale Ha'adumim B, Mizpe Yeriho B, three new settlements in the Golan, an additional settlement in the Gaza Strip and a new foothold in the Jordan Valley will begin in the coming weeks. Settlement circles emphasize that Qarney Shomron B as well as Qarney Shomron C and D, which were approved by the cabinet, will be set up on government-owned lands and not on private lands. [Text] [Tel Aviv HA'ARETZ in Hebrew 10 Sep 79 p 3 TA]

WEST BANK SETTLERS SEIZE LAND--The settlers of 'Ofra, in Samaria, have recently seized several hundred dunams of land belonging to the neighboring village of 'Ayn Yabrud. They have begun preparing the land without permission. The military government is looking into the issue. [Text] [Jerusalem Domestic Service in Hebrew 0500 GMT 3 Sep 79 TA]

LAND REQUISITION PROTESTED--About 60 of the inhabitants of the village of Iskaka, which is in the Tulkarm District, have submitted an appeal against the seizure of their lands for the purpose of enlarging the Ari'el settlement. The presiding judge in the Supreme Court studied the appeal this afternoon and passed it on for decision by three judges. The claimants state that the authorities fenced in a territory of about 3,500 dunams even before announcing the requisitioning. Then the announcement of the requisitioning was given to the village mukhtar, but the requisition order was not given to even one of the landowners themselves. Our correspondent Moshe Negbi recalls that 2 months ago the inhabitants of Salfit village also appealed against the seizure of their lands for the purpose of enlarging the Ari'el settlement. Following that appeal, the Supreme Court froze the enlargement of the settlement, although it permitted the continuation of construction within the settlement itself. [Text] [Jerusalem Domestic Service in Hebrew 1800 GMT 3 Sep 79 TA]

INDUSTRIAL ZONE--The mayor of Hebron, Mr Fahd al-Qawasini, wants to increase the industrialization of the area, and territory in his town has already been allocated for this industrial zone. The ITIM correspondent in Judaea and Samaria reports that other mayors in Judaea and Samaria have also allocated territory in their towns for the establishment of industrial zones. Arab sources have reported that rich Palestinian investors living abroad are prepared to establish industrial plants when the military government grants the mayors' request for the industrialization of the region. In the meantime, at the end of the last week the mayor of Hebron left for Amman and will discuss this issue with the Jordanian authorities. Afterward, he will go to the United States and attend a conference organized by Americans and Palestinians which will discuss the rights of the Palestinians. [Text] [Tel Aviv ITIM in Hebrew 1750 GMT 9 Sep 79 TA]

NEW MISSILE SHIP--A new Reshef-type ship named "Qomemiyut" [Independence] was handed over to the navy in a ceremony on Thursday. The ship was built in Israel's shipyards in Haifa in 2 and 1/2 years and cost \$30 million. Most of its systems are Israeli-made except for the artillery pieces and the engines. Serving on board the ship will be 45 officers and crewmen. Its length is 51 meters, its width 7 meters and its speed 34 knots. In addition, it is equipped with improved Gabrial missiles and two guns--one in the prow and the other in the stern. The ship is considered one of the most sophisticated of its kind in the world and can sail 3,000 maritime miles without refueling. The ITIM correspondent notes that the shipyards have already built several such missile ships for the navy and these satisfactorily serve the force in the Mediterranean and the Red Sea. [Text] [Tel Aviv ITIM in Hebrew 1510 GMT 19 Jul 79 TA]

NEW IDF APPOINTMENT--Brig Gen Tzvi Amir was appointed chief communications and electronics officer as of 1 August instead of Brig Gen Yisra'el Zamir, who leaves for studies. [Text] [Tel Aviv ITIM in Hebrew 1105 GMT 1 Aug 79 TA]

IMMIGRATION STATISTICS--The rate of drop-outs from Soviet emigrants reached a peak in July: 70 percent. At the same time, immigration to Israel has increased this year by almost 60 percent. Our correspondent Avraham Ben-Melekh reports that in the first 7 months of 1979 about 21,000 new immigrants arrived in Israel. About 26,000 immigrants have already left the Soviet Union this year. The head of the Jewish agency's immigration department has reported that the transit camps to Israel have suffered overcrowding in the last month, and although three new absorption centers have been opened, there is still shortage in permanent housing. [Text] [Jerusalem Domestic Service in Hebrew 1800 GMT 14 Aug 79]

TERRORISTS SABOTAGE WATER PIPE--Bet Horon, 10 Sep--Unidentified persons today sabotaged the water pipe of the settlement of Bet Horon on the Latrun-Ramallah Road. The settlers did not get any water supply for some hours until the pipe was repaired. The security forces investigating the incident have determined that it was a terrorist act. The investigation is continuing. [Text] [Tel Aviv ITIM in Hebrew 2035 GMT 10 Sep 79 TA]

NEW DUMMY BOMB DEVELOPED--A new dummy bomb for pilot training has been developed by the Israel Aircraft Industries. Our reporter says it is made of fiberglass and is durable enough to be rescued. It is also less expensive than the imported American practice bombs. [Text] [Jerusalem Domestic Service in English 0500 GMT 14 Aug 79 TA]

NEW JUDAEA HIGHWAY--Work has started for the construction of a highway across Judaea, similar to the highway across Samaria. It is to link Gush 'Ezyon with Teqa'a and Mizpe Shalem overlooking the Dead Sea. [Text] [Jerusalem Domestic Service in English 0500 GMT 11 Sep 79 TA]

EXPORT FIGURES RELEASED--Israeli industrial exports, excluding diamonds, last month rose by over 47 percent compared to August last year. They totalled over \$220 million. Since the beginning of the year exports, without diamonds, have gone up 28 percent to \$1.5 billion. Most of the gross in exports last month was in chemicals, rubber and plastics. Exports of agricultural machinery, equipment and knowhow will this year total about \$400 million, that's one-third more than a year ago. [Text] [Jerusalem Domestic Service in English 1800 GMT 3 Sep 79 TA]

DEBTS RISE--Israel's debts rose by \$849 million in the first 4 months of this year, to stand at \$13,413,000,000 according to figures released yesterday by the Bank of Israel. In the same period, the country's foreign currency reserves rose by only \$196 million to stand at \$2,438 million at the end of April. Receipts from the sale of state of Israel bonds dropped in this period, to total \$74 million as compared to \$89 million in the corresponding period last year. But income from tourism went from \$168 million to \$244 million, with the average income from each tourist reaching \$673 as compared with \$543 in the same period last year. [Text] [Jerusalem JERUSALEM POST in English 6 Sep 79 p 2 TA]

CSO: 4805

KUWAIT

'AL-RA'Y AL-'AMM' ASSAILS AL-SADAT'S NILE WATERS OFFER TO ISRAEL

Kuwait AL-RA'Y AL-'AMM in Arabic 7 Sep 79 pp 1, 19 LD

[Editorial: "Thy Land, O Israel..."]

[Excerpts] "Thy land, O Israel, lies from the Euphrates to the Nile." It appears that Al-Sadat indeed wants to realize this dream for his "dear cousins," as he addressed them in Haifa. In a farewell statement yesterday he offered to extend the Nile waters to the Negev Desert in occupied Palestine and thus confirm that this biblical prophecy has been realized at his hands.

In his openness toward Israel the man is not joking at all. In fact, this man, who is afflicted with the disease of "village ethics" [reference to Al-Sadat's boasting about his village background], will have no scruples about extending the Nile waters to the Negev so that the desert will turn into settlements for millions of Israelis.

The matter is not as simple as it appears to be for it is daily being demonstrated that the Egyptian ruler has gone far and deep in his joint alliance with Israel for the joint control of the fertile crescent area and the Arabian Peninsula.

Examples of this Al-Sadat-Zionist alliance have ancient roots in Pharaonic-Israeli history, where more than once a partnership was set up in the face of the Arabs of the fertile crescent and the peninsula.

As his hatred for the Arabs shows, Al-Sadat wants to repeat history. He wants to be Egypt's Pharaoh who is willing to ally himself with any Jewish Menahem in order to fight against the people of the entire north and to extend his control over this northern area.

Perhaps we can now understand well why he is so happy that the northern countries, in the crescent and the peninsula, are suffering from difficulties and problems, as he admitted at his press conference in Haifa.

We also know too well that these difficulties are the work of the Camp David parties, who have resorted to this destructive weapon at this stage so that they will impose their domination and achieve their criminal dream. These wicked people realize that the stirring up of communal strife in the area is the only sure way leading to the Euphrates.

For this reason, following the Sinai agreements the Jew Kissinger set fire to Lebanon, the ideal laboratory for the spread of sectarian germs in the area and a stepping stone on the march to destroy Syria so that the barrier to the Euphrates will collapse and in the midst of this mad flood communal ministates or autonomous states will spring up.

Worst of all is that this poison has affected and numbed Arab minds. This is probably the cause of the alarming "neutrality" or indifference in the area to what the spread of the fires of communal strife could mean.

If the Egyptian ruler, for understandable reasons, is emphasizing Egyptian regionalism and through it is trying to prevent the spread of the sectarian disease to his country, then the Arabs are earnestly urged to put out this destructive fire in their countries with their multitude of communities.

CSO: 4802

KUWAIT

BRIEFS

AID TO MALTA--Kuwait, 9 Sep, KUNA--It was announced here officially that Kuwait has decided to grant Malta aid of \$5 million and to talk with it about oil supplies. The decision was taken by the Council of Ministers following the visit of Malta's prime minister, Dom Mintoff, to Kuwait earlier this week. A government spokesman said that the minister of oil was authorized to have talks with Malta on the supply of an unspecified quantity of oil. Mintoff visited other Arab countries to secure oil for Malta after failing to receive it from its traditional supplier, Libya. The spokesman said that Kuwait will also grant Malta medical aid valued at \$72,000. [Text] [Kuwait KUNA in Arabic 1200 GMT 9 Sep 79 LD]

UK AIR SUPPORT--Kuwait, 5 Sep--The newspaper AL-ANBA' reports that the British Air Force may be assigned to give support to U.S. naval forces in the Gulf. Citing informed sources in the Gulf, AL-ANBA' says that there is definite information circulating among the Gulf states to the effect that during an important meeting held recently at the White House, attended by officials of the State and Defense Departments and chaired by Carter, it was decided to consult with the allies of the United States on the implementation of a plan--free from publicity--to deploy a [word indistinct] naval strike force in the Indian Ocean capable of moving in all directions as well as a similar air force contributed by one of America's allies, which is most likely to be Britain. [Text] [Damascus SANA in Arabic 0840 GMT 5 Sep 79 JN]

ARAB GULF SUMMIT SUGGESTED--Kuwait, 10 Sep--Kuwait's AL-ANBA' today calls for an urgent Arab Gulf summit conference. Writing editorially, the paper says that "there is more than one capital that would be interested in seeing the Arab Gulf region turn into another Lebanon, or, if plans to this end do not materialize, then at least to reduce it to a region afflicted with various troubles and all sorts of explosions and clashes. Without panicking, we must admit that the elements of collision are available in the Arab region. "There is only one way open to us," the paper writes, "and that is an alliance of the Arab forces in this Gulf. For, when troubles begin, we will find nobody on our side except for those who bemoan the noble character we depicted in our international dealings. These people have never helped anyone before, so we cannot expect any help from them in saving the course of our destiny. [Text] [Kuwait KUNA in Arabic 0717 GMT 10 Sep 79 LD]

LIBYA

BRIEFS

LIBYAN ARMS TO POLISARIO--According to diplomatic sources, Polisario forces are totally equipped by Libya. Arms coming from Tripoli are unloaded in Oran, then directed to Tindouf via Bechar. [Text] [Paris LE POINT in French 3 Sep 79 p 35]

FROGMEN FOR PLO--Several Palestinian organizations have had certain of their members take advanced Scuba lessons, using the very latest equipment, in Libya. On their return to Lebanon they are then used as instructors. [Text] [Paris LE POINT in French 10 Sep 79 p 31]

CSO: 4800

SAUDI ARABIA

PAPER EXHORTS ARAB LEAGUE ACTION IN WESTERN SAHARA

Manama Gulf News Agency in Arabic 0745 GMT 7 Sep 79 JN

[Text] Riyadh, 7 Sep--The Saudi paper 'UKAZ calls on the Arab League to intervene quickly to resolve the conflict in the Arab Maghreb.

In a commentary on the situation in the Western Sahara, 'UKAZ says: The time has passed when the Arab League could afford to adopt a spectator's stand on the conflict raging among brothers, intervening only when the situation escalates. Such a stand weakens its role and achieves no positive results.

The paper expresses its confidence in Arab League Secretary General Chedli Klibi, saying: The Arab nation has confidence in [words indistinct], and also has confidence in the man who is leading its march in the darkest hours of its history, Chedli Klibi.

'UKAZ asks why the Arab League does not act in accord with its responsibility to protect the Arab body from the suffering caused every Arab by the deteriorating situation in the Western Sahara and the escalating Zionist challenge in southern Lebanon.

'UKAZ asserts that hidden hands are responsible for the tension among the Arab Maghreb states. The paper says: It appears that certain forces, hostile to the Arab nation, are responsible for inflaming the situation. Their aim is to distract the Arab Maghreb from the principal cause of the Arabs--their conflict with Zionism.

In conclusion, 'UKAZ says: The opportunity still exists to resolve the Western Sahara dispute within the framework of the good intentions of the parties concerned. An Arab League action is a necessity demanded by the situation and the Arab League charter.

CSO: 4802

SAUDI ARABIA

COMMENTATOR CALLS FOR RETURN TO ORIGINAL NONALINED PRINCIPLES

Riyadh Domestic Service in Arabic 1145 GMT 3 Sep 79 LD

[Commentary by Hashim 'Abduh Hasim]

[Text] There are two measures that can be used to determine the success or failure of the biggest practical experiment that unified the objectives of the developing countries, permitted the creation of a third influential force in the world and enabled the small nations to find a place on the world map. By this experiment, we mean the establishment of the nonaligned movement which was designed to support the causes of the developing countries, assist them in developing their societies and help them attain freedom and independence from all forms of subservience.

These two measures : First, the success of the movement since its birth at Bandung in 1954 in attaining its main objectives; and second, the effectiveness of the movement in keeping away from the blocs and areas of conflict in the world.

With the meeting of delegations from 88 countries in Havana today, in the sixth summit to be held by the nonaligned movement, it becomes essential to consider the facts surrounding the development of the movement in light of the numerous changes that have taken place on the international political map during the movement's history.

The question we must now ask is what has the movement achieved and what has it failed to achieve? How has it achieved what it has and why has it failed to achieve what it otherwise could not?

The unbiased, objective reply to these questions affirm three important facts:

1. Under the influence of events and changes, the movement has become a political facade--a moderate political facade--that many countries have used and exploited to cover a manner of acting that conflicts with the most fundamental objectives and principles of the movement. When the leaders who met in Bandung proposed that the movement be called a third force, Pandit

Jawaharlal Nehru rejected this classification. He said that when we addressed ourselves with our national aspirations to the idea of nonalignment, we represented the first force in the world that rejected the policy of association. How then, he added, could we permit ourselves to commit the same error by forming a group? Thus was delineated the first element of the movement: It is a huge political force that believes in positive neutrality and nonalignment, and rejects all forms of alinement, alliances or pact.

The movement sought to strengthen its own capability out of its firm belief in its own objectives. But what actually happened was that many of the member countries could not maintain their balanced position between the East and the West and were driven by numerous political pressures and issues to adopt stands that conflicted with the objectives of the movement and their own basic rights, and detracted from their independence and sovereignty.

2. Some countries exploited the escalation of liberation movements, the conditions of backwardness and public agitation against the old conditions and thus began to penetrate deeply into the lives of peoples. This penetration started with military or economic aid and ended with a complete ideological engulfment and the imposition of dangerous ideologies.

3. Because of the errors in their experiments, particularly in the African continent, many small peoples found themselves driven toward one of the two superpowers in order to guarantee their survival and secure their protection and stability.

Thus rivalry mounted among the various powers. Third parties were used to act on behalf of one of the two superpowers and to hide behind the facade of positive neutrality and nonalignment.

After all this, can we expect the Havana summit conference to free itself from the influence of powers and to return to the true character of its objectives? We hope this will happen so that the peoples of the Third World will remain the guarantors of freedom and not become the prey of foreign interests and foreign penetration.

CSO: 4802

SUDAN

BRIEFS

NUMAYRI RECEIVES LIBYAN OFFICIAL--Khartoum, Sept 12 (SUNA)--Sudanese President Ja'far Numayri reviewed with head of the Libyan Security Board, Col Yunis Balqasim, the fraternal relations that link Sudan with Libya and means of propping them up. The Sudanese leader expressed keenness to boost these relations for the benefit of the two peoples and asked Mr Balqasim to convey his compliments to President al-Qadhdhafi, the government and the Libyan people. Col Balqasim is on a five-day visit to Sudan. [Text] [Khartoum SUNA in English 1720 GMT 12 Sep 79 JN]

UGANDAN REFUGEES TRANSFERRED--The [Southern] Regional Ministry of Administration, Coordination and Legal Affairs has issued an order under which Ugandan refugee soldiers will be moved away from areas bordering Uganda to areas earmarked for the settlement of refugees. Their weapons must be handed over to the Sudanese security authorities. The order says that all the Ugandan refugees living near the border [words indistinct] and hand them over to the nearest [words indistinct] within 15 days [words indistinct]. The ministry will give financial rewards for anyone handing over or finding firearms. [Text] [Omdurman Domestic Service in Arabic 1700 GMT 8 Sep 79 LD/EA]

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